



*United States Senate*  
**Committee on Small Business  
and Entrepreneurship**

*Olympia J. Snowe, Chair*

Wednesday, October 5, 2005

<http://sbc.senate.gov>

For Immediate Release:

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**SNOWE: FACTORS THAT IMPEDE DISASTER LOAN PROCESSING MUST BE  
ADDRESSED AND ELIMINATED**

*Offers to Provide Any Assistance Possible To Small Business Administration*

(Washington, DC) – In a letter to Small Business Administration Administrator Hector Barreto, U.S. Senator Olympia J. Snowe (R-Maine), Chair of the Senate Committee on Small Business and Entrepreneurship, today expressed concern about the Small Business Administration's ability to rapidly process Hurricane Katrina and Rita disaster loan applications and called on the SBA to expeditiously provide assistance to disaster victims.

In her letter to Administrator Barreto, Senator Snowe wrote:

"I am writing to express my concern regarding the capacity of the SBA's computer and processing systems, and of the SBA's staffing levels, to handle the applications for disaster loans being made by victims of Hurricane Katrina and Hurricane Rita. As you would agree, we should not allow these issues to hinder the relief and rebuilding efforts. I am ready to provide the SBA any assistance possible to meet these challenges successfully.

"It is my hope that the SBA will be able to process these applications in a very short period, and that applicants will learn the results of their application quickly enough to enable them to factor their SBA loan status into their plans as they rebuild their lives, their homes, and their businesses . . . Factors that impede loan approvals must be addressed and eliminated as they arise.

"To help achieve this, I have asked the Internal Revenue Service to locate personnel alongside small business field staff in the Gulf region and in the Fort Worth processing center so that tax documents required for approval are immediately accessible. With over 35,000 applications pending, this will help expedite SBA's loan processing for disaster victims.

"The SBA has been providing the Committee with daily disaster program updates that detail the number of loan applications the agency has received, the number of loans that have been approved, and other vital information. I request that you provide additional information in the daily updates by indicating the number of loans that have been funded."

Last month the Senate approved by a vote of 96-0 a Snowe amendment to the Commerce-Justice-Science Appropriations bill to provide \$595 million to aid Hurricane Katrina's victims. Last

week Senator Snowe introduced the Small Business Hurricane Relief and Reconstruction Act of 2005, legislation that builds on her previous proposal to provide immediate and meaningful relief to hurricane victims. The Act is co-sponsored by Ranking Member John Kerry (D-MA), Senator David Vitter (R-LA), Senator Mary Landrieu (D-LA), Senator Jim Talent (R-MO), Senator Edward Kennedy (D-MA), Senator John Cornyn (R-TX) and Senator Evan Bayh (D-IN).

The letter is attached.

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